



December 18, 2009

Jennifer J. Johnson, Secretary,  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551.

Re: Proposed rule to Amend Regulation Z R-1366

Dear Sir or Madam:

Principal Bank, a member of the Principal Financial Group®, is an FDIC insured federal savings bank offering customers traditional and innovative banking products and services through the Internet and telephone personal bankers. Principal Bank offers home equity loans and lines of credit.

Principal Bank welcomes the opportunity to comment on the proposed revisions to Regulation Z for the closed end credit. We have reviewed the proposal and believe it contains many valid recommendations for improving consumer awareness however the following sections warrant additional consideration. Our comments follow below.

The board is proposing new format and content requirements for disclosures to make them more meaningful and easier for consumers to understand. We believe the new disclosures as proposed are numerous, overbearing and long winded. We feel most consumers will see these disclosures and will not read the documents before, during or after signing the documents. Therefore many will miss the important information which misses the point of this proposal-consumer awareness. In addition, we believe the bank will incur added expense with vendor assistance in getting the numerous documents implemented as well as the cost of mailing the documents to the consumer. Ultimately these expenses might be passed on to the consumer.

We are also concerned about the additional time it will take from the application process to the actual closing of a loan. Currently Principal Bank closes a loan within ten business days. With the proposed disclosures, it would add approximately an additional week to close a loan. Neither the consumer nor the bank will be happy with this delay.

Overall the proposal is helpful in providing consumers the adequate information needed to make an informed decision and is clearly a value, however we would ask the agency in making the TIL requirements more streamlined and simplified.

Des Moines, IA 50392-0040 / (800) 672-3343 / [www.principalbank.com](http://www.principalbank.com)

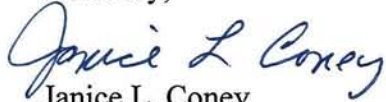
Member FDIC / Equal Housing Lender

*A member of the Principal Financial Group®*

We would encourage adequate time be provided to implement any requirements, as programming, training, and communication may be extensive. Thank you again for providing the opportunity for comment.

Please forward any questions to the undersigned at 515-883-9190, or to Jill Lorenz, Compliance Manager at 515-883-9190.

Sincerely,

A handwritten signature in blue ink that reads "Janice L. Coney". The signature is fluid and cursive, with the first name "Janice" being more prominent.

Janice L. Coney

Manager of Community Development  
515-883-9217